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the commission of 1834, that of the able-bodied laborer, is the difference between the orders, applied notably in different parts of England, which on the one hand prohibited out-door relief generally, and which, on the other hand, allowed it with a labor test. Also, in orders of the central poor authorities, are noted some departures from the intent of 1834. Because of such variations and changes of policy within the field of poor law, beside tendencies to meet distress outside that law, the Webbs say that any poor law, or law of destitution, is hopeless.

The three quarters of a century since 1834, a time of revolution in many ways of human thought and action, has brought plain modifications in the treatment of the needy by public aid, some of which seem a radical departure from 1834. These changes are to be reckoned with. Differences of opinion arise as to their significance. The Webbs see plainly that all point to a continuous process toward a radically new basis of public aid, when relief, quickly obtainable, will make not only for cure but for prevention of need. The last third of this book summarizes clearly and interestingly that new basis, from the minority report of the Royal Commission, and compares it with the majority report. Readers who wish to compare those reports will obviously go direct to the majority for their say. English students and workers in the field of public aid, as the signers of the majority report, who do not agree with Mrs. Webb, the minority leader, freely grant that conditions and remedies of 1909 are not identical with conditions and remedies of 1834; but they believe that reasonable order and a progressive policy can be brought into even such a complicated matter as public relief of need, without letting the pendulum of public opinion swing to what seems to them a dangerous extreme. The contest in England is on; it is of dramatic interest to persons concerned in poor relief, the world over.

JEFFREY R. BRACKETT.

Socialism and Co-operative Enterprises

The Nation as a Business Firm: An Attempt to Cut a Path Through Jungle. By W. H. MALLOCK. (New York: The Macmillan Company. 1910. Pp. xi, 268. \$1.00.)

In this volume Mr. Mallock gives the results of a study of the distribution of incomes in the United Kingdom, based chiefly upon

the income tax statistics and the works of Giffen, Levi, Money, Primrose and Bowley. It appears to be a very fair presentation of the subject, although confessedly an attempt to make a case against socialism by showing that the economic conditions of the poorer classes are steadily improving.

In 1800 Great Britain was the richest country in the world, and at that time the national income was about £175,000,000, which was equal to an income per head of £16: 14s. In 1850 the per capita income was £23: 6s.; and in 1865, £30: 9s. In the year 1850 the average per head of incomes below £150 was £15, so that the average income of the poorer classes in that year was almost as great as the average of all incomes in 1800. Similarly, in 1888, the average of incomes below £150 was £25, or something more than the average of all incomes in 1850; and in 1905 the average of incomes below £150 was £29, or very nearly as much as the average of all incomes in 1865. The poorer classes, therefore, are constantly rising to higher levels, and are progressively gaining all that they could obtain by socializing the means of production.

Taking the distribution of incomes as shown in Sir Robert Giffen's figures for 1888, Mr. Mallock rightly claims that the income of families is a better index of material conditions than the income of individuals. For example, there were in the United Kingdom, in the year 1888, 13,277,000 wage-earners of the working class, including 7,320,000 men, 2,963,000 women, 1,729,000 lads, and 1,265,000 girls. Taking the average family as composed of five persons, there were about 5,400,000 families of the working class, consisting of 5,400,000 male heads of families and a body of subordinate wage-earners comprising 7,600,000 young men, women, lads and girls. For every male head of a family there were, on the average, one and one half associate workers whose earnings contributed to the general family income. Since the average income per head was £60 for men and £32 for women, lads and girls, Mr. Mallock assumes that the average earnings of a family of which the head earned £60 would be about £114—a sum sufficient to keep the family in comparative comfort. Applying this argument to his estimate of earnings for 1905, Mr. Mallock arrives at the cheerful conclusion that the average earnings of working-class families were £130. To be more exact, there were about 172,000 families of the poorer class of wage-earners earning about £70 a year, although the wages of the heads

of the families were only from 9s. to 17s. a week. The mass of unskilled wage-earners, numbering 1,265,000 families, had incomes of £94 a year; the mass of skilled wage-earners, numbering 2,185,000 families, earned £120 a year; 2,357,000 families of exceptionally skilled wage-earners earned £156 a year; and 1,120,000 families of the highest class of skilled wage-earners had incomes of £190 a year.

While it is true, as Mr. Mallock says, that the wage-earning family is typically supported by the incomes of two or more of its members, it is also true that there are many families whose sole income, apart from charity, is that of the head of the family, and that head not always a man. In many cases, too, the unmarried wage-earners are detached from their families or contribute only a small part of their earnings to the general family income. Mr. Mallock seems to overestimate the solidarity of the family, while some other investigators are disposed to assume that the family is wholly dependent on the earnings of the head.

One of the many interesting points made by Mr. Mallock is that, in estimating the distribution of incomes for the purpose of showing the shares of labor and capital, incomes derived from foreign investments should not be counted as the incomes of the rich without adding to the incomes of the working class an amount equal to the wages of the laborers employed by British capital invested abroad. Mr. Mallock assumes that for every £1 received by the British investor the foreign laborer receives at least £2: 10s., since the ratio of the profits of American railways to the earnings of the railway employés in the year 1905 was as 1 to $2\frac{1}{2}$. As a matter of fact for every dollar received by the bond-holders and stock-holders of the railways of the United States in the year 1905, the wage-earners received only \$1.74. (*Report of the Interstate Commerce Commission*. 1905. Pp. 47, 75.)

Mr. Mallock clearly shows that income is a far better measure of material prosperity than property, and that the distribution of income is much less unequal than the distribution of property. According to Mr. Mallock's figures, there are in the United Kingdom about 200,000 families whose incomes of domestic origin exceed £700 a year, and these, being about one fortieth of the population, receive about one fifth of the total income.

Although one could wish that the statistics were better arranged and more clearly presented, Mr. Mallock's book gives a most interesting and valuable analysis of income tax statistics, and con-

clusively shows that the wealthy classes do not receive so large a proportion of the nation's income as is commonly thought.

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J. E. LE ROSSIGNOL.

State Socialism in New Zealand. By J. E. LE ROSSIGNOL and W. D. STEWART. (New York: T. Y. Crowell and Company. 1910. Pp. ix, 311.)

New Zealand is for the rest of the world a laboratory for social experimentation, where now a professor of economics from Denver and a barrister-at-law from Dunedin have gone about together counting up the cost in pounds, shillings and pence of state interference, of old age pensions, of land-holding reforms, of government railways, and of court-fixed wages. As Le Rossignol and Stewart point out, the New Zealanders themselves have gone far for their own benefit but too often have refused to go far enough to benefit greatly others who are watching them. Their legislation has had little studied theory about it; as they have seen the need or have been able to take advantage of the opportunity, they have put through one reform after another. In the early days great tracts of land fell into the hands of the few and in these later days the state is getting back this land slowly through compulsory purchase and graduated taxation. But there is no single-tax or land nationalization theory here, nothing more than a tardy realization that it is better for the state and safer for the party in power, that men should settle with their families upon the broad acres where the "fat man's" sheep have been wont to roam.

There has been little more of theory in the extension of the New Zealand state railways. The country was poor and needing development; its peculiar formation into two long narrow islands each with high mountain ranges made it unprofitable for private capital to invest in more than disconnected roads serving scattered communities. The state, with its larger daring and greater credit, was needed to carry out a comprehensive plan for building. The state has gone into the business of fire insurance and coal mining in much the same way, not from any preconceived notions of state socialism, but because combinations were raising prices and state competition was looked upon as an effective and popular method of control. The post office has grown in like manner, step by step, until now an American, born to private telephone extortion and denied a parcel's post, may wonder in New Zealand at